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RHMFIUU/DEPT OF STATE AIR WING PATRICK AFB FL
RHEHOND/DIRONDCP WASHDC
RHMFIUU/COGARD INTELCOORDCEN WASHINGTON DC
RULSJGA/COMDT COGARD WASHINGTON DC//G-CI/G-M/G-OLE//
RUCOWCA/COMLANTAREA COGARD PORTSMOUTH VA
RUWDQAA/COMPACAREA COGARD ALAMEDA CA

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STATE FOR INL/LP STATE FOR WHA/PPC ONDCP FOR D. GEDDINGS

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TAGS: SNAR KCRM ASEC PREL PE

SUBJECT: PERU: NARCOTICS AFFAIRS, DECEMBER 2005

REF: A. LIMA 5203

¶B. LIMA 5335
¶C. LIMA 5397
¶D. LIMA 5440

SUMMARY

(SBU) The Government of Peru (GOP) eradicated close to 9,000 hectares of coca in 2005, far surpassing its goal of 8,000 hectares. This achievement was accomplished through the strong commitment of the Ministry of Interior's eradication force (CORAH) and the drug police (DIRANDRO) that provided security support. Another measure of this year's successes was that DIRANDRO destroyed 518 cocaine-base laboratories in 2005. On December 30, 197 new police officers graduated from the NAS-funded academies, raising to 394 the number of new police that have graduated from NAS-sponsored police academies east of the Andes. The newly graduated police will be assigned to DIRANDRO units in coca growing zones. In December, Sendero Luminoso adherents ambushed and killed five DIRANDRO and eight PNP officers in separate attacks. The UH-2s were used to medevac the wounded. The FAP and the PNP are doing joint CN/CT operations with the two FAP-owned C-26 aircraft. The NAS Maritime/Port Program has started a program to identify airline passengers who may be smuggling drugs or laundering money. NAS continues to expand the K-9 program (more handlers, better facilities), extending its presence in the ports of Paita and Iquitos and its outreach to private shippers and exporters to gain useful and timely intelligence. The GOP's national office of drug policy (DEVIDA) has set an ambitious 2006 goal to eradicate 10,000 hectares of coca in 2006. In 2006, NAS will begin measuring the success of our eradication efforts using the Cocaine Production Averted (CPA) formula developed by the Crime and Narcotics Center (CNC) in Washington. (END SUMMARY)

ERADICATION ENDS FOR 2005: ANNUAL GOAL ACHIEVED

12. (U) December 14 marked the last day of CORAH eradication operations for 2005. The final campaign of the year was in San Gaban in southeastern Peru. During the last four days,

CORAH fielded two teams of over 150 eradicators each to eradicate the last of the coca in the area. All camp equipment and personnel were out of the base camp at Mazuko by December 18.

- $\underline{\P}$ 3. (U) Final numbers for 2005 are as follows: 8,966.26 hectares of coca eradicated, 53,084 square meters of seedbeds destroyed (the equivalent of 3,539 hectares if they had been planted) and the discovery and observed destruction of 49 maceration pits. Average density of plants per hectare for the year was 42,340 plants, with the highest monthly density average being in San Gaban with 54,120 plants per hectare in November. Based on plant density and the number of hectares eradicated, approximately 380 million plants were uprooted by CORAH.
- 14. (SBU) The auditing firm Deloitte won the bid to conduct the audit of CORAH and the Institute of Tropical Crops (ICT). The accounting firm will do a traditional audit as well as a review of operations, administration procedures, and salary scales.

NEW ERADICATION GOAL SET FOR 2006

- $\underline{\P}$ 5. (SBU) The 2006 GOP Eradication Plan has a goal of 10,000 hectares to be eradicated—up from 8,000 in 2005. There is an option to mount campaigns in the Apurimac and Ene River Valleys (VRAE) and the Monzon that would require the GOP to commit to establishing a permanent government presence in the areas, including police, health, education, and economic development.
- 16. (SBU) Eradication is scheduled to begin in Polvora-Pizana as well as in Yanajanca to the south on January 10, 2006. President Toledo has not yet approved the plan. Farmers have been replanting based on rumors that CORAH will not return until 2010.

"COCAINE PRODUCTION AVERTED" FORMULA READY FOR USE

17. (SBU) NAS-Lima has seen a real need to develop a formula for determining the tonnage of cocaine that was not/not produced due to eradication efforts--the Cocaine Production Averted (CPA) formula. The formula uses the number of hectares eradicated, the quality of the leaf and the density of the plants per hectare in a given area to calculate how much cocaine production was averted. After much consultation, NAS-Lima received CNC and DEA approval to use the formula the CNC devised to determine the CPA. The CPA will be used at the local and regional levels in public outreach efforts. Hectares eradicated will continue to be reported as well.

POLICE PROGRAM: MORE SEIZURES AND NEW POLICE OFFICERS

- ------ -----18. (U) In 2005, DIRANDRO's Special Operations Groups destroyed 518 cocaine-base laboratories in the Palmapampa/VRAE area. Overall, DIRANDRO seized 4.49 metric tons of cocaine base, 11.5 metric tons of cocaine HCl, 500 kilos of opium latex. It also destroyed 584 metric tons of precursor chemicals, seized 64 metric tons of precursor chemicals, and eradicated 92.50 hectares of opium.
- 19. (U) On December 30, 197 students will graduate from each of the DIRANDRO/NAS Basic Training Academy, in Santa Lucia and Mazamari. All of the new officers will be assigned to DIRANDRO counternarcotics units east of the Andes to support eradication and interdiction activities in the VRAE and Upper Huallaga Valleys. In January 2006, 200 men and 50 women will start a one-year training program in Santa Lucia, Mazamari, and a new academy in Ayacucho. This is the first year that women will receive this training.

TWO DEADLY ATTACKS ON POLICE BY NARCO-TERRORISTS

110. (SBU) On December 5, five DIRANDRO officers were killed in an ambush by 15 to 20 men near San Francisco in the Ayacucho region while transporting a prosecutor and a detained narcotrafficking suspect. According to Post sources, a column of Sendero Luminoso (SL) carried out the attack. The SL are thought to be trying to neutralize the presence of DIRANDRO troops in the VRAE where they have been destroying cocaine-base laboratories. These interdiction operations caused the price of coca leaf to plummet from 120 to 40 Soles for a 11.5 kg bag of leaf. Precursor chemicals have tripled in price due to DIRANDRO's roadside inspections to stop the diversion of chemicals into the drug growing valleys.

- 111. (SBU) On December 20, SL members killed eight PNP officers near the town of Aucayacu, located in the Huallaga River coca production zone (Ref C). An estimated 20 SL members ambushed the PNP vehicle near a bridge on the Tingo Maria-to-Aucayacu highway. Seven police officers died in the 20-minute qun battle. Another died later at a local clinic. Post believes the pattern of SL activity is changing, and that the security situation in areas where the Sl is operating will continue to deteriorate until the GOP takes effective countermeasures.
- (C) Post is seeing an increasing involvement of SL in narcotics trafficking, including a vertically integrated, FARC-like approach to coca paste production by at least one SL group. The armed Sendero Luminoso factions in the Monzon and VRAE valleys have changed both their strategic objectives and tactics in a way that has implications for our counternarcotics work and anti-terrorism interests. See Refs B and D.

HELICOPTERS CALLED ON TO EVACUATE WOUNDED

13. (SBU) Two NAS UH-2s were used to extract two seriously wounded soldiers during an attack by an SL unit on a Peruvian Army outpost near Quiteni in the vicinity of Satipo. NAS was also asked to evacuate the PNP wounded in the ambush near Aucayacu where seven PNP had been killed. Based on intelligence reports that a specific PNP base would be attacked during the holidays, NAS stationed helicopters at Mazamari and Pucallpa for possible emergency support.

C-26 AIRCRAFT PROVE THEIR WORTH--AND THEN SOME ------

114. (SBU) With the increase in CN/CT activity, the two Peruvian Air Force (FAP) C-26s have provided critical and timely airlift support and reconnaissance. Overall, the FAP C-26 CN Air Squadron has provided excellent support, a positive attitude, and a clear desire to do joint operations with other GOP entities and the USG. NAS and the FAP have not been satisfied with the availability of the aircraft because of unscheduled and scheduled maintenance and the delivery time for spare parts. The aircraft are maintained by ARINC, a USG-funded contract. A meeting is schedule with ARINC on January 5, 2006, to resolve the problems.

- (SBU) The C-26s are proving to be a valuable asset in CN/CT operations. During their first 3-plus months of operation, the C-26s have done the following:
 - --FLIR missions flown in support of CN/CT operations 16 -- Reconnaissance missions flown
 - -- Clandestine runways checked 78
 - -- Cocaine-base labs discovered 3
 - -- Fields of coca/poppy identified 2
 - --Airlift support
 - -- Passengers 384

 - -- Cargo 26,324 lbs -- MEDEVACs 5 (4 life saving)
 - Joint Operations: PNP and Armed Forces of GOP 6 -- Indentified CT personnel and structures during operations.

Total aviation support for 2005 by aircraft type:

- -- UH-1s and 2s 6070 flight hours
- -- C-208 635 flight hours
- -- B1900 D 118 flight hours
- -- C-26s 217 flight hours -- T-65 81 flight hours
- -- MI-17 120 flight hours
- -- Y-12 188 flight hours
- -- Antonov 32-161 flight hours -- Charters (commercial aircraft included) 123 flight hours

MARITIME/PORT PROGRAM: SEIZURES AND GOP COOPERATION INCREASE

- 116. (SBU) With the support of the NAS Maritime/Port Program, the GOP seized two containers of Peruvian antiquities protected by cultural patrimony laws during December. smugglers tried to bribe a Peruvian Customs agent who reported the incident. The U.S. Customs and Border Protection (USCBP) Advisor sent an alert to the U.S. Immigration and Customs Enforcement (ICE) attach in Mexico, where another container of antiquities was seized by Mexican authorities. NAS became involved because it was assumed that the bribery attempt involved narcotics. These seizures demonstrated to the GOP the value-added of the NAS Port Programs for preventing the smuggling of its national treasures.
- 117. (SBU) NAS has started a program, the Passenger Analystical Unit (PAU), at the Lima airport to review passengers suspected of drug/money trafficking to the U.S. The PAU is performing well in alerting authorities to counternarcotics smuggling, arrests and some cases of

excessive money transit has been reported. For example, during December, a person was detained in Los Angeles airport with \$2.4 million dollars due to an alert from the PAU in Lima. Several people have been arrested for drug smuggling (80% of arrested smugglers are U.S. Residents or Visa Waiver Program participants). The goal of the PAU is to create a joint PNP and Customs unit that mirrors the NAS-sponsored joint Manifest Review Unit at the Port of Callao and operates like the USCBP PAU in the Miami International Airport.

- (SBU) NAS continues to coordinate with Lima Airport officials concerning the consolidation of PNP and Customs canine facilities at the airport. The objective is to consolidate the K-9 programs in one location for training and kennel services. NAS is also expanding CN efforts in the Port of Paita, Peru's second largest port by volume. Paita is now exporting approximately 80,000 containers annually (up from 8,500 in 2001). The majority of these containers are shipped to the U.S. On December 16, USG personnel (NAS, DEA, MAAG) met with PNP and Peruvian Navy officials in Iquitos to coordinate USG and GOP counternarcotics efforts in the area. The group will have monthly coordination meetings.
- 119. (SBU) NAS USCBP personnel have met with various export and private shipping companies in order to formulate methodologies for obtaining timely information on suspicious shipping practices that will assist the MRU in identifying contraband. NAS met with the majority of private warehouse/terminal companies and GOP officials in order to improve the information flow and cooperation between Peruvian counterdrug entities and warehouses to prevent smuggling.
- 120. (U) Happy New Year! STRUBLE